

REMARKS

Claims 1-29 and 31-52 are pending in the present application. In the Office Action of January 26, 2006, all claims were rejected. Applicant hereby traverses the rejections and requests reconsideration of this application.

Response to Claim Objections

The Examiner has rejected claims 6, 7, 16, 17, 23 and 24 because the Examiner asserts that they recite only information included in reports. Applicant respectfully requests reconsideration and withdrawal of these objections.

Applicant previously amended claims 6 and 23 to clarify that the reporting feature can provide the recited closing report. Claim 7 depends from claim 6 and therefore also includes this limitation. Claim 24 depends from claim 23 and therefore also includes this limitation.

Applicant also previously amended claim 15 to recite that the rental feature can provide the recited printable rental agreement. Claims 16 and 17 depend from claim 15 and therefore also include this limitation.

It is unclear from the Office Action whether the Examiner considered these amendments. In light of the amendments, Applicant respectfully requests that the Examiner reconsider and withdraw the objections to claims 6, 7, 16, 17, 23 and 24.

Response to Claim Rejections Under 35 U.S.C. § 112

The Examiner has rejected claims 32-41 under 35 U.S.C. § 112 because the Examiner asserts that they recite functional elements that are not disclosed in the original specification, drawings or claims as being resident on the server. Applicant respectfully requests reconsideration and withdrawal of this rejection.

Applicant refers the Examiner to page 5, lines 1-18 and FIG. 1A (included with Applicant's Amendment and Response to Office Action, filed April 14, 2004) and FIG. 2 for support for the recited elements. The cited portion of the specification recites that the point of sale (POS) system includes a computer server for communicating with users. The specification further recites that communications with the users are "preferably carried out using a browser based program on a computer terminal at a location remote from the computer-server" and that

the point of sale system preferably includes “a processor and various databases, as known in the art, for storing and retrieving information pertaining to customers, reservations, equipment, inventory, rental transaction and other information” In FIG. 1A, a central computer server 15 is shown as a computer that is remote from user-computer terminals 13. Processors and databases are well known components of computer servers, such as computer server 15. FIG. 1 shows the login feature that is displayed to a user to access the computer server and FIG. 2 shows the main page and menu of features of the point of sale system that is displayed to the user on the user’s remote computer after the user establishes communications with the computer server. Applicant respectfully submits, therefore, that the specification and drawings provide support for claims 32-41.

Response to Claim Rejections Under 35 U.S.C. § 103(a)

Claims 1-29 and 31-52 stand rejected under 35 U.S.C. § 103(a) as being obvious over U-Haul’s non-internet based point of sale system alone or in combination with one or more of Francisco et al. (U.S. No. 5,875,433) and the Budget reservation system. Applicant respectfully requests reconsideration and withdrawal of this rejection.

Applicant previously submitted the Rule 132 Declaration of Gordon Michael Wiram. As Applicant has previously discussed, the Declaration shows “Secondary Considerations” of non-obviousness. The Examiner has indicated that the Rule 132 Declaration is insufficient to overcome the rejection of claims 1-29 and 31-52 for a number of reasons. Applicant respectfully disagrees.

First, the Examiner asserts that the legal opinions presented in the Rule 132 Declaration have little evidentiary value because the Declarant has an interest in the claimed invention. The only such opinion that the Examiner references, however, is the conclusion in paragraph 5 that the claims would be novel and non-obvious to a person of ordinary skill in the art. Applicant respectfully suggests, however, that this conclusion is supported by the objective evidence set forth in the other paragraphs of the Rule 132 Declaration. As the Court of Appeals for the Federal Circuit held in *In re Sernaker*, 702 F.2d 989, 996 (Fed. Cir. 1983), such objective evidence must always be considered in determining obviousness. See MPEP § 716.01(a). It would be error not to do so. Thus, the objective evidence must be considered even if it is

presented by the declaration of one who has an interest in the claimed invention. Applicant respectfully contends, therefore, that the evidence set forth in the Rule 132 Declaration must be considered and accepted.

Applicant has asserted that the claimed internet-based POS system addressed several long felt but unsolved needs relating to the inability to quickly and uniformly update a POS system at a nationwide network of rental equipment centers and dealers. In the Office Action, the Examiner responds that the Rule 132 Declaration has not provided evidence of how long the problem has been felt. Applicant respectfully disagrees. In paragraph 2 of the Rule 132 Declaration, the Declarant states that since before 1999 he has been involved in the development and use of a POS system at U-Haul. Also, as referenced in paragraph 3 of the Rule 132 Declaration, on April 14, 2004, the Applicant filed a Response to Requirement for Information under 37 C.F.R. 1.105. As indicated in that Response, before February 5, 2000, U-Haul and U-Haul based dealers used a PC-based POS system. *See* Response to Requirement for Information ¶ 4.

Next, the Examiner asserts that the Rule 132 Declaration does not present a showing that others of ordinary skill in the art failed to recognize the need to quickly and uniformly update a POS system for equipment reservation and rental. Applicants respectfully disagree. As set forth in the Rule 132 Declaration, U-Haul was subject to market forces that required transferring information promptly and accurately to remote rental equipment locations, and U-Haul experienced significant inefficiencies, delays and cost in updating software and data at rental centers and dealers using its PC-based POS system to meet that need. *See* Rule 132 Declaration ¶¶ 7-16. Likewise, U-Haul's competitors, including Budget and Ryder and others, were subject to the same market forces that dictate the need to transfer information promptly and accurately to remote rental equipment locations. *See* Rule 132 Declaration ¶ 18. Thus, the record presents ample evidence that those competitors recognized that need as well. The internet had been available for years when Applicant conceived the claimed invention. Yet, Applicant is the only person to do so. *See* Rule 132 Declaration ¶ 17.

Next, the Examiner asserts that the statements of commercial success in paragraph 18 of the Rule 132 Declaration presents no evidence or facts to support the statement that providing

updated information via the internet has provided a commercial advantage. Applicant respectfully disagrees. An applicant who is asserting commercial success to support its contention of non-obviousness need only show a nexus between the claimed invention and evidence of commercial success. *See* MPEP § 716.03. The term “nexus” designates a factually and legally sufficient connection between the evidence of commercial success and the claimed invention so that the evidence is of probative value in the determination of non-obviousness. *Id.* In this case, paragraphs 18-20 of the Rule 132 Declaration provide substantial evidence with probative value to show commercial success as well as the connection between that success and the claimed invention. As set forth in those paragraphs, the recited feature of the internet connection in the pending claims has provided U-Haul the ability to quickly and uniformly provide updated information to U-Haul dealers and rental centers and to successfully adapt to quickly fluctuating market conditions. *See* Rule 132 Declaration ¶ 18. It has successfully reduced capital costs. *Id.* ¶ 19. Moreover, the Declarant expressly states that “[b]y connecting the POS system to the internet, as claimed, U-Haul has been able to enforce [rental return] agreements and verify whether the customer has in fact returned a vehicle to the agreed-upon location.” The Declarant concludes that, as a result of such enforcement, it is his understanding that U-Haul has saved approximately \$6 million to \$9 million dollars “by only giving discounted rates to those customers who have returned their vehicles to the agreed upon location.” *Id.* ¶ 20. Thus, the Rule 132 Declaration provides substantial, specific evidence to show the nexus between the stated commercial success and the invention.

With regard to the statements of commercial success in paragraph 19 of the Rule 132 Declaration, the Examiner asserts that the Declaration provides no evidence to support the conclusion that the invention has reduced capital costs. Applicant respectfully disagrees. As expressly stated in that paragraph, the invention has done so “by avoiding the need for each dealer and center to have a computer which meets the specifications necessary to run the POS system software.” The internet-based POS system as claimed allows each dealer and rental center to access changes to software and data without having a computer that meets such requirements. *See* Rule 132 Declaration ¶ 15.

With regard to the statements of commercial success in paragraph 20 of the Rule 132 Declaration, the Examiner appears to concede that the savings of \$6 million to \$9 million dollars is evidence of commercial success. The Examiner asserts, however that the nexus between that success and the claimed invention is not clear. Applicant again respectfully disagrees. As is expressly stated in paragraph 20 of the Rule 132 Declaration, “[b]y connecting the POS system to the internet, as claimed, U-Haul has been able to enforce [rental return] agreements and verify whether the customer has in fact returned a vehicle to the agreed-upon location.” Further, the Rule 132 Declaration states that the subject savings resulted from such enforcement and verification. Applicant respectfully submits, therefore, that the Rule 132 Declaration establishes a direct connection between the commercial success and the claimed invention and thereby demonstrates the non-obviousness of the invention.

In view of the foregoing, Applicant respectfully submits, that whether or not the Examiner previously presented a *prima facie* case of obviousness, the Rule 132 Declaration demonstrates that claims 1-29 and 31-52 are allowable over the references of record. Applicant therefore requests the Examiner to reconsider his initial obviousness determination and to withdraw the rejection of those claims under 35 U.S.C. § 103(a).

Conclusion

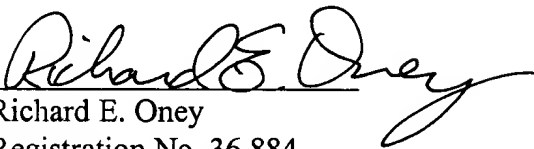
All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicant therefore respectfully requests that the Examiner reconsider all presently outstanding rejections and that they be withdrawn. It is believed that a full and complete reply has been made to the outstanding Office Action, and that the present application is in condition for allowance. If the Examiner believes, for any reason, that personal

Response to Office Action dated January 26, 2006
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communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Dated: July 26, 2006

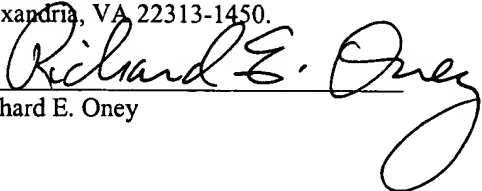
Respectfully submitted,


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I hereby certify that this paper and all documents and any fee referred to herein are being deposited on the date indicated above with the U.S. Postal Service "Express Mail Post Office to Addressee" service under 37 C.F.R. § 1.10, postage prepaid and addressed to the Mail Stop Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.


Richard E. Oney

July 26, 2006
Date of Signature